

WALDORF, MD - Hundreds of Marylanders joined Congressman Steny H. Hoyer this evening at North Point High School in Waldorf, MD for a town hall meeting on Congress' efforts to provide greater health care security for all Americans through health care reform. During the meeting, Rep. Hoyer provided an overview of current proposals under discussion, addressed some of the common myths in the health reform debate, and addressed constituents' questions.

"Tonight I'm here to talk about how critical health reform is, what a reform bill will and will not do, and how it will ensure that you have affordable health care you can count on,"
stated Congressman Hoyer.

"Health reform is vital now more than ever to finally provide the peace of mind and stability in cost and coverage for our families, our businesses, and our country."

Rep. Hoyer began the town hall by reviewing the pressing reasons for health care reform with a report on how skyrocketing costs are squeezing Maryland families, burdening businesses and represents one of the greatest threats to America's future economic growth and long-term fiscal stability. Over the past eight years, Marylanders have seen their health insurance premiums increase by 64.1% while wages during that period only grew by 21.4%. [\[1\]](#) Without reform, the health insurance premiums of Maryland families will increase from 4.7% of their income to 9.1% by 2016. [\[2\]](#)

"**Our families need health reform.** If we do nothing, the average Maryland family can expect to spend nearly \$25,000 per year on health care premiums by 2016, up from \$12,000 now," said Hoyer. "At the same time, middle-class families who thought they could count on their insurance are losing it. Right now, 10,000 Americans a day are losing their health insurance coverage. Contrary to what many believe, most people without health insurance have jobs. And unless we act, the ranks of the uninsured will continue to grow.

"**Our businesses need health reform.** Starbucks spends more on health care than coffee. GM spends more on health care than steel. American companies pay twice as much for health care as their foreign competitors-which is a serious handicap. Small businesses are struggling to cover their workers-their premiums have gone up by 129% since 2000.

[\[3\]](#)

"**And our country needs health reform.** In 2006, health care ate up 16% of our economy. If we do nothing, by 2025, health care will take up a quarter of our economy.

[\[4\]](#)

And eventually, one out of every two dollars spent in America will go to health care. The

problem is growing more pressing every year, but the truth is that the costs of our broken health care system have been with us for generations.”

Rep. Hoyer then discussed the current proposal in the House - America's Affordable Health Choices Act (H.R. 3200) - and how the reforms will benefit middle-class families, senior citizens, and small businesses, by building on what works in the current health care system and fixing only what doesn't.

“Health care today is not stable - with out-of-control costs and unreliable coverage, there is little peace of mind for American families and businesses,” **stated Rep. Hoyer.** “The goal of health reform is to fix what is broken while keeping what works. We are not proposing a government-controlled system. We want to reform health insurance so that all Americans can find peace of mind with health care they can count on. For seniors, we want a more efficient Medicare with stronger benefits. And for small businesses we want to level the playing field that helps them afford coverage and compete successfully.”

The reforms of H.R. 3200 achieve the following goals:

- **Building on What Works: The Current Health Care System.** H.R. 3200 largely does not affect qualified insurance offered by larger employers, but it does mean peace of mind: if you lose your job, you do not lose insurance. According to the nonpartisan Congressional Budget Office, health reform will mean millions more Americans getting employer-sponsored insurance because it will be more affordable for small businesses to offer it.

- **Providing Security and Stability for the Middle Class.** Consumer protection reforms in H.R. 3200 include:

- o *Protection from medical bankruptcy:* No matter how sick you get, you will never pay more than \$5,000/\$10,000 out of pocket. If you lose your job or want to start a business, you will have access to affordable, high-quality insurance through a national health insurance exchange where private plans will compete for your business.
- o *An end to discrimination against those with pre-existing conditions*-everything from cancer and diabetes to pregnancy and asthma.
- o *Elimination of insurance caps*-so that no insurance company can tell you that you've gotten too sick to get the coverage you paid for.
- o *Stabilization of health care costs.* Right now, if you have insurance, about \$1,100 of your family's premium goes to subsidize the care of the uninsured.
- o *Elimination of the \$1,100 “hidden tax”* on families in higher premiums to cover the uninsured.

- **Strengthening Medicare.** H.R. 3200 preserves senior citizens' access to doctors by reversing a huge doctor pay cut that is scheduled to hit on January 1st

and it

improves

benefits by phasing out the prescription drug "donut hole." It also waives copayments for preventive care, and it helps Medicare provide more efficient, higher-quality care, increasing accountability and rewarding doctors who coordinate their care. Medicare savings are achieved through the elimination of unfair overpayments to Medicare Advantage plans-some of which get paid up to 50% more than it costs traditional Medicare to provide the same services. 60% of those savings are put back into Medicare to improve benefits, pay doctors, and help the program stay solvent.

- **Creating a Level Playing Field for Small Businesses.** H.R. 3200 helps small business owners get lower rates on insurance by creating an Insurance Exchange so they can leverage the purchasing power that right now is only available to their larger competitors-making it easier for them to cover their employees. It also makes it easier to cover employees by providing a tax credit for small businesses. Finally, 86% of small businesses-those with payrolls below \$500,000-are exempt from any mandate to provide coverage.

The public discussion to reform health care has spanned over six decades with the most recent effort receiving more than two years of debate. In the House, there have been 80 hearings over the past two years, and House Democrats have held more than 1,000 town halls and discussions with constituents. After months of intense work and negotiation, bills were passed out of the three committees of jurisdiction. In the meantime, Members of Congress have spent the month of August discussing concerns and suggestions with their constituents. A vote is expected on the House bill sometime this Fall.

In the Senate, the Health, Education, Labor and Pensions Committee has acted with the second Senate committee with jurisdiction, the Finance Committee, expected to come out with their bill in the Fall. The two Senate bills will then be combined before the Senate votes. Once the Senate and the House have voted on their respective bills, the two Chambers will go to Conference and sort out their differences before a vote on a final bill occurs.

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[1] *Premiums vs. Paychecks: Maryland*. Families USA. (September 2008)

[2] Axeen, S. & Carter, E. *The Cost of Doing Nothing: Why the Cost of Failing to Fix our Health System is Greater than the Cost of Reform*. New America Foundation. (November 2008)

[3] *2007 Annual Employer Health Benefits Survey*, Kaiser Family Foundation & Health Research and Educational Trust.

[4] *The Long-Term Outlook for Health Care Spending*, Congressional Budget Office, November 2007.